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PHENOMENOLOGICAL STUDY: OPTIMIZATION OF DIGITAL MARKETING UTILIZATION TO INCREASE MARKET SHARE AND SALES TURNOVER

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Abstract

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Digital markering, MSMEs, market share, sales turnover This study wants to know how important digital marketing optimization is as a marketing strategy to increase market share and sales turnover. The purpose of this study is to explore a deep understanding of the experience of MSME players in utilizing digital marketing to increase market share and sales turnover. This research uses qualitative methods with a phenomenological approach used because the data comes from the experience of participants or events experienced by MSME actors. The results showed that using digital marketing strategies has a significant influence in expanding market reach and increasing sales turnover. The implication of this research is the importance for MSME players to continue to develop competencies in digital marketing, understand online consumer behavior and adapt marketing strategies in accordance with changing digital trends. Research findings show that in the application of digital marketing, several obstacles were found, such as lack of knowledge about the proper and effective use of digital This makes efforts to provide further marketing. understanding of digital marketing optimization in their marketing strategy

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Introduction

In today's digital era, information and communication technology is experiencing very rapid development. The development of information and communication technology cannot be separated from the development of internet technology. The existence of websites, e-commerce, social media can encourage economic growth in Indonesia. MSMEs contribute to the growth of Gross Domestic Product (GDP) (Bangun et al, 2022). Business groups that are included in MSMEs

.778 IC-EMBUS VOL.1, 2023

are small and medium enterprises in Indonesia, these groups occupy a dominant position because the number is quite large, with this MSMEs can create sources of income for the community and job providers and reduce unemployment (Fadhilah & Pratiwi, 2021). With the existence of MSMEs, they can maintain and increase the contribution of regional growth and can increase income in the tax sector (Fauzi et al., 2023). MSMEs are one of the sectors that have an influence in the era of digital technology development such as marketing MSME products through digital marketing. Digitalization is believed to be a solution for MSMEs to develop. Digital marketing is an activity to promote and find markets through various digital media online by utilizing various means such as e-commerce, social media, websites, and other platforms. With online marketing or marketing through digital marketing can help to promote products to reach a wider area and the appropriate target market (Permatasari1 et al, 2020). The use of digital technology (digital marketing) as a marketing tool is the hope of MSMEs to be able to develop into economic power. In today's technological developments, it forces people to better utilize technology in all fields, especially in the field of marketing. The internet is a means of technological development used to get information quickly and precisely. With the presence of the internet, it also has an impact on consumers who usually buy in person or face-toface are now switching to digital or online purchases. Significantly increased competition requires business people to think about how to survive and also get buyers in a wide range. MSMEs need to improve marketing capabilities in order to compete with other competitors by increasing their ability to use digital marketing and social media marketing (Aisyah et al, 2022). In this case, MSME players are indirectly required to switch to digital marketing (Wahyuni et al., 2022). Most MSME players certainly have problems, including lack of knowledge about digital marketing as a marketing strategy to achieve the goal of increasing market share and sales turnover (Sunarjo et al., 2023). Actually, there is a desire from MSMEs to adopt technology in marketing. However, from the above problems cause it does not run well in the use of technology (Susanti, 2020). Menurut Susanti (2020) stated that not all MSMEs in Indonesia can change their marketing patterns into digital marketing. The use of digital marketing for MSME players can be done by using social media in the form of Facebook, WhatsApp, and Instagram, besides that MSME players can also use ecommerce media. These applications aim to disseminate information about products, so that it can attract the attention of consumers which of course can lead to an increase in sales turnover (Sasongko et al., 2021). With this, digital marketing strategy is very important because it can provide knowledge to MSME players on how to expand consumer networks (Mochammad Munir Rachman et al., 2021). The use of digital marketing has a huge impact on MSMEs, considering the importance of the existence of MSMEs, it is necessary to foster MSME actors so that they can grow sustainably (Hartono et al., 2022). Digital marketing training is needed by MSME players in expanding marketing (Febri et al., 2022).

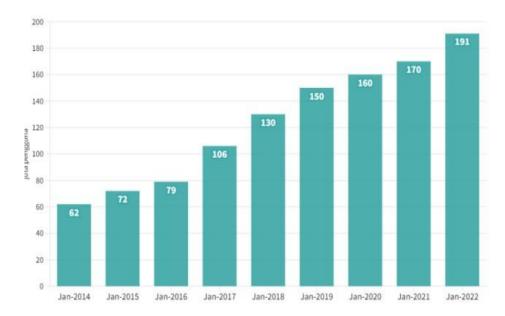


Figure 1. Social media usage graph per January 2014 - January 2022 Source: (Santoso et al., 2022)

It can be seen from the graph shown above, more and more people are using social media. This can be seen year after year. By looking at the number of people who use social media, the greater the impact generated, such as wider reach and faster dissemination of information (Santoso et al., 2022). According to data from the Ministry of Communication and Information Technology (Kemenkominfo), in 2022 there are around 64 million units of micro, small and medium enterprises (MSMEs) throughout Indonesia. However, the number of digital MSMEs that are able to be based online is only around 19 million business units or 29% (Wahyuni et al., 2022). The use of marketing through digital marketing can be said to be not optimal when compared to internet users who are very drastic (Sulaksono, 2020). This should be the government's attention to help increase digitalization for MSME players (Wahyuni et al., 2022). The use of social media as a means of communication and information sharing has opened up great opportunities for MSMEs to expand their market reach and can increase their sales turnover. Related to this, being able to utilize Digital Marketing as a marketing tool and social media can help the development of its business. The reason why MSMEs must utilize or implement digitalization is from the habits of today's people who cannot be separated from their gadgets. The impact of digitalization is that it can provide great benefits for MSME players (Soebandhi et al., 2022). According to Ayu Larasati (2022) stated that one of the advantages of digital marketing is that the costs used are much lower than conventional marketing. The low cost used in digital marketing is expected to affect competitive selling prices to attract customer attention. In addition, utilizing internet technology can make it easier for consumers in terms of access and practicality. Social media also has potential functions in a business including being able to identify customers, provide information, occur mutual communication, and establish relationships between customers based on location and interaction patterns (Abidin Achmad et al., 2020). On the other hand, digital marketing also has weaknesses that can be misused by irresponsible parties, get a negative response that can affect reputation and can be imitated by competitors (Hamzah et al, 2021). Research according to Ayu Larasati (2022) revealed that the use of Digital Marketing in the form of technology utilization is very important because it can provide knowledge to

IC-EMBUS VOL.1, 2023 MSME players on how to expand consumer networks through the use of social media. Jajanan Makmur Jaya MSME is one of the businesses that sells snacks, this MSME was established in 2021 which was founded by a husband and wife, namely Mr. Dede Novari and Mrs. Shela Nur Laili, located in Gading Village, Prambon District, Nganjuk Regency. This MSME has not hired employees because it is still in the development stage. Previously, these MSMEs only relied on offline sales and word-of-mouth promotion, but Makmur Jaya Snack MSMEs realized the importance of using digital marketing strategies. Market conditions before implementing this digital marketing strategy were still within the scope of the area around the location of MSMEs, but after utilizing this MSME digital marketing strategy, they were able to expand their market reach outside the region. However, these MSMEs have challenges in digital marketing, one of which has not utilized digital marketing optimally. These MSME actors have not been able to create interesting content to promote the products sold, besides that these MSME actors use personal social media to market the products sold. This condition is a challenge for MSME players to streamline digital marketing strategies. In this regard, MSMEs Makmur Jaya Snack can take advantage of digital marketing to help their business development, by implementing appropriate and effective digital marketing to reach consumers in Prambon Regency and surrounding areas and can increase sales turnover. This study aims to determine the extent of digital marketing utilization used by MSMEs Makmur Jaya Snack. This study is expected to provide useful insights for MSME owners of Makmur Jaya Snack to better understand how digital marketing can support their efforts in increasing market share and sales turnover.

RESEARCH METHODS

This research uses qualitative methods with a phenomenological approach to explore and understand individual understanding of the use of digital marketing by MSMEs in an effort to increase market share and sales turnover. Qualitative research is a method that can be used to explore and understand the meaning that is ascribed to a social or humanitarian problem. Phenomenology is the study of phenomena that are distinguished from something that has happened or disciplines that describe and classify phenomena or the study of phenomena. The phenomenology study approach was chosen because the main focus of this research is on individual experiences and perspectives of MSME actors involved in implementing digital marketing strategies. The research participants consisted of MSME owners who had experience in using digital marketing as their marketing tool. Participants were selected based on criteria that included the level of understanding of digital marketing and experience in applying these strategies to MSMEs. Where data is obtained through in-depth interviews with participants. Researchers use sources and types of data in the form of observations and interviews. This will provide an overview of how Makmur Jaya Snack MSMEs utilize digital marketing, what obstacles or challenges are faced, what benefits are obtained and what efforts have been made to improve marketing through digital marketing. The results of this study can provide insights and recommendations that can be useful for MSMEs who want to utilize digital marketing as a marketing strategy to increase market share and sales turnover.

RESULT

Based on the results of interviews that have been conducted with MSME actors, it can be said that the development of a technology has a significant impact on developments in marketing MSME products. Unconsciously, MSMEs must be able to follow the flow of information and technology developments in marketing their

MSME products. The ability to market by utilizing digital marketing is one effective way to keep up with increasingly fierce market competition. However, the presence of digital marketing can provide a benefit by making it easier for MSME players to attract consumers and make offers for the products they offer. These MSMEs have utilized digitak marketing, especially social media in terms of marketing or promoting their MSME products. This research produced several findings related to the obstacles faced by MSME actors and optimizing the use of digital marketing. The following is an overview of MSMEs Makmur Jaya Snack. Makmur jaya Snack is a shop that sells a variety of snacks and drinks such as snacks, various kinds of bread, bottled drinks and others. Makmur Jaya Snack is one of the MSMEs located in Prambon district, Nganjuk Regency that implements digital marketing as a marketing strategy for its products. The application of digital marketing by MSMEs uses social media such as Facebook and WhatsApp.

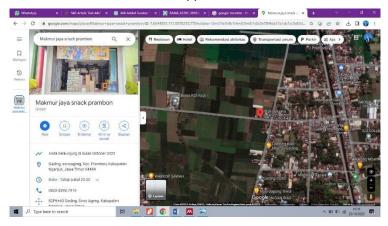


Figure 2. Map of UMKM Makmur Jaya Snack



Figure 3. Makmur Jaya Snack Shop

The strategy used by MSMEs Makmur Jaya Sanck in utilizing digital marketing based on research results shows that these MSMEs market their products on social media by utilizing digital marketing. Its use is in the form of product posts on social media such as Facebook and Whatsapp statuses to introduce their MSMEs.

1782 IC-EMBUS VOL.1, 2023



Figure 4. Examples of Promotions on Facebook Social Media

MSMEs Makmur Jaya Snack realizes the importance of digital marketing and social media to increase market share and increase product sales. By using the right digital marketing strategy, Makmur Jaya Snack managed to reach more consumers and increase sales. The obstacles faced by these MSME actors in implementing digital marketing are in the form of lack of further knowledge about other digital marketing so that these MSME actors only use marketing strategies through Facebook and Whatsapp. The impact of digital marketing on MSMEs Jajanan Makmur Jaya itself provides significant changes in the marketing strategy and business development of these MSMEs. With the help of social media, these MSMEs can expand their markets outside the region, this can increase sales turnover. Thus, Jajanan Makmur Jaya MSMEs can continue to grow as successful MSMEs in the snack industry in Prambon Nganjuk.

No. Question

- 1. Does this Makmur Jaya Snack MSME utilize Digital Marketing as a marketing strategy?
- 2. Can you explain what digital strategy is applied?
- 3. How can the strategy contribute to increasing market share and sales turnover?
- 4. How can you see the success or results of utilizing the marketing strategy that you have implemented?
- 5. What obstacles or challenges do you face in utilizing this digital marketing strategy?

How do you deal with that?
 Can you share your story about how implementing this digital strategy has expanded market share and increased sales turnover?
 Table 1. Interview Questions

Results of Interviews with MSME Actors

1. Does this Makmur Jaya Snack MSME utilize Digital Marketing as a marketing strategy?

MSME actors: yes, I use digital marketing but not optimally

2. Can you explain what digital strategy is applied?

MSME actors: I only use facebook and whatsapp because I haven't how to operate shopee

- 3. How can the strategy contribute to increasing market share and sales turnover?
 - MSME actors: I upload pictures of the products I sell on facebook or whatsapp then on facebook I give the store address and also my wa number automatically those who are looking for goods or products can ask the number listed and they know about this store.
- 4. How can you see the success or results of utilizing the marketing strategy that you have implemented?
 - MSME actors: eee with so many consumers who come to this store, I usually ask how come I know where this store continues to answer from Facebook
- 5. What obstacles or challenges do you face in utilizing this digital marketing strategy?

MSME actors: that, I don't know how to use digital marketing properly then I lack knowledge about creating a shopee account. I also have a whatsapp group but there are still few participants.

6. How do you deal with that?

MSME actors: I usually read on google how to use digital marketing to attract consumers then lately I learned about how to create a shopee account

7. Can you share your story about how implementing this digital strategy has expanded market share and increased sales turnover?

MSME actors: at first my store was still empty of buyers maybe because not many people knew about this store but then after I uploaded it on Facebook many people knew then asked the location of this store where from there began to be many consumers who came, some also ordered online. After that, how to try to ask for the consumer number that came for me to save who knows later can be useful, after many numbers that I save, I create a group on whatsapp to promote the products I sell, starting from there my market is expanding and my store revenue increases.

784 IC-EMBUS VOL.1, 2023

DISCUSSION

The results of the interview obtained found several findings, research findings showed that in the application of digital markering has several obstacles. one of the main obstacles is the lack of knowledge about the right digital marketing strategy. These MSME players have not been able to create interesting content and do not utilize digital tools optimally. The problems faced by MSMEs Makmur Jaya Snack reflect the common obstacles faced by MSME players in implementing digital marketing. Despite having started digitization efforts, these MSME players still face difficulties in creating effective content and using personal social media as a marketing tool. MSMEs must be careful in choosing and using social media that must be in accordance with their target market, so that the strategy carried out is in accordance with its objectives (Putri et al., 2022). This finding is also consistent with previous research that highlighted Digital Marketing for MSMEs (Sirodjudin et al, 2023). The uniqueness of this study is that researchers are the first people to conduct research in these MSMEs. These findings provide a deeper understanding of how MSMEs can leverage digital marketing as a marketing strategy that can act as a tool to increase market share and sales turnover. The government can also play a role in assisting MSMEs in digitalization efforts to ensure greater economic contribution. Overall, this research makes a valuable contribution to understanding the importance of marketing digitalization in the growth of MSMEs in today's digital era.

CONCLUSION

Based on this research, it illustrates the crucial role of digital marketing in the development of MSMEs in today's digital era. Highlighting how MSMEs can make good use of digital strategies to expand market share and increase sales turnover. In a broader context, digitalization affects the way consumers interact with products, and provides great opportunities for MSMEs to develop. However, there are a number of obstacles that must be faced, namely the lack of understanding and knowledge of MSMEs about effective digital marketing strategies. Therefore, there is a need for broader training on digital marketing which is key in helping MSMEs to take advantage of the potential of digitalization. With the obstacles experienced by MSMEs, Makmur Jaya Snack shows that obstacles in adopting digital marketing can hinder the growth of MSMEs. However, it provides an opportunity for MSME players to better understand the importance of an efficient approach in digital marketing. Using digital marketing strategies wisely can help MSMEs expand their market reach and increase their sales turnover.

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1786 IC-EMBUS VOL.1, 2023

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